



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

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IN REPLY PLEASE

REFER TO FILE: **AV-0**

June 20, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**AMENDMENT NO. 4 TO CONTRACT AGREEMENT NO. 64424 FOR
CONTRACT SERVICES FOR THE MANAGEMENT, OPERATION,
AND MAINTENANCE OF COUNTY AIRPORTS
SUPERVISORIAL DISTRICTS 1, 2, 3, AND 5
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve Amendment No. 4 to Agreement No. 64424 for the management, operation, and maintenance of the County's five airports, eliminating the annual minimum gallons for aviation fuel sales, reducing the flowage fee \$0.05 per gallon on aviation gasoline and \$0.23 per gallon on jet fuel, and requiring the contractor to begin compliance with several Board-mandated contract policies established after the initial contract was awarded, including the County's Living Wage Program.
2. Instruct the Chairman of the Board to sign the enclosed Amendment No. 4.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

We are requesting that your Board approve and instruct the Chairman to sign Amendment No. 4 to Agreement No. 64424 for the management, operation, and maintenance of the County's five airports, eliminating the annual minimum gallons for aviation fuel sales, reducing the flowage fee \$0.05 per gallon on aviation gasoline and \$0.23 per gallon on jet fuel, and requiring the contractor to begin compliance with several Board-mandated contract policies established after the initial contract was awarded, including the County's Living Wage Program.

On April 25, 1995, Synopsis No. 40, your Board approved Amendment No. 3 to Agreement No. 64424 which reduced the original Agreement's flowage fee for aviation gasoline (Avgas) from \$0.50 to \$0.35 per gallon and jet fuel (Jet-A) from \$0.63 to \$0.58 per gallon. Amendment No. 3 also reduced the annual minimum gallons for Avgas sales from 1,607,386 to 1,309,616 gallons per year and Jet-A minimum sales from 320,493 to 217,462 gallons per year. At that time, we believed these adjustments were necessary because the aviation fuel sales, state-wide, had declined 19 percent since April 1991, when the contractor began managing our County airports, and the contractor was losing Avgas and Jet-A sales to nearby airports due to higher prices as a result of high flowage fees stipulated in the agreement. At the same time, our contractor was paying us flowage fees for unsold fuel due to the high minimum gallons set in the original agreement. These original minimum-gallon figures were based on historical sale volumes on our airports when aviation fuel sales were stable, state-wide, if not slightly increasing.

Amendment No. 3 contained specific language which allowed for annual adjustments in the minimum Avgas gallons portion of the agreement, based on the change in the annual Avgas gallons sold, statewide. There was no language in Amendment No. 3 that allowed annual adjustments in Jet-A minimums. Since Amendment No. 3 was implemented, Avgas sales on our airports have exceeded the annually-adjusted minimums, due, in large part, to a steady decline in Avgas sales, state-wide, of over 20 percent. At the same time, Jet-A sales have continued to climb, state-wide, while sales on our airports have consistently been below the contract minimums.

During the past several years, there has been an increase in the number of turboprop aircraft based on our airports. However, sales of Jet-A fuel used by these aircraft have remained stagnant. Most of the Jet-A users on our airports say they are buying the majority of their fuel at nearby airports because of the lower prices available. We strongly believe that by enabling our management contractor to be more competitive in lowering the flowage fee and eliminating the minimums for Jet-A, increased sales will more than make up for the initial loss in revenue to the Aviation Enterprise Fund, while at the same time, enhancing the business climate on our airports.

Since the awarding of the original contract in 1991, your Board has established several policies that require compliance by County contractors regarding child support, job-site safety, using recycled paper products, contractor responsibility and debarment, notifications to employees about possible eligibility for the Federal Earned Income Credit, consideration of Greater Avenues for Independence (GAIN) Program participants for employment, and Living Wage. This amendment incorporates all these requirements, with the Living Wage

having the most positive impact on not only the contractor employees, but on overall contractor performance by allowing for the retention of experienced airport employees.

The Aviation Commission strongly supports this Amendment No. 4 to foster a more favorable marketing climate for economic growth on the airports.

Implementation of Strategic Plan Goals

This action is consistent with the Strategic Plan Goal of Fiscal Responsibility as approval of this amendment will enhance the business environment on our airports, thereby creating greater revenues to the Aviation Enterprise Fund. It also satisfies the Goal of Workforce Excellence by creating a more positive work environment for our contract personnel which will help retain experienced employees.

FISCAL IMPACT/FINANCING

This amendment will reduce the flowage fee for Avgas from \$0.35 to \$0.30 per gallon and reduce the Jet-A flowage fee from \$0.58 to \$0.35 per gallon. It will also eliminate the minimum gallons requirement for both aviation fuel products. Based on the aviation fuel sales at the five County airports over the past 12 months, this amendment will initially reduce the annual income to the Aviation Enterprise Fund by \$115,570. This initial loss of revenue should be made up over time from increased fuel sales and lease revenues because of the enhanced business climate on the airports. Additionally, increased revenues to the County General Fund are expected to be generated through increased Possessory Interest and sales tax revenues from new business developments on the airports. Eliminating the minimums and adjusting the flowage fees are expected to enhance aviation fuel sales, stimulate growth and expansion of business activity, and foster new developments for airport tenants.

Sufficient revenues will continue to be generated for the Aviation Enterprise Fund to maintain the airport system, to finance an annual capital improvement program, and provide matching funds for Federal and State grants. There will be no negative impacts to the County General Fund from implementing the terms of this amendment.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This amendment has been reviewed from a legal standpoint and approved as to form by County Counsel.

This amendment includes various County contract policies approved by your Board after the award of the original contract. These policies include employee Federal Earned Income Credit notification, recycled-content paper products, job-site safety, contractor responsibility and debarment, consideration of GAIN program participants, and Living Wage requirements.

Public Works has confirmed the District Attorney has received the contractor's Principal Owner Information Form in compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program).

ENVIRONMENTAL DOCUMENTATION

Not applicable for this amendment.

CONTRACTING PROCESS

Not applicable for this amendment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this amendment will result in a better business environment on the airports and retention of experienced airport employees.

The Honorable Board of Supervisors
June 20, 2002
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CONCLUSION

The original and three (3) copies of the amendment, executed by American Airports Corporation, are enclosed.

1. Please have the Chairman sign the original and all copies, and return three (3) fully executed, original signature/stamped copies to the Aviation Division.
2. It is further requested that conformed copies of this letter be distributed to:
 - a. County Counsel
 - b. Auditor-Controller, General Claims Division
 - c. Assessor, Possessory Interest Division

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

TAG:h
AAC CONTRACTAMEND#4/B-2

Enc.

cc: Chief Administrative Office
County Counsel

**AMENDMENT NO. 4 TO AGREEMENT NO. 64424 FOR MANAGEMENT,
OPERATION, AND MAINTENANCE OF THE COUNTY AIRPORTS**

THIS AMENDMENT NO. 4 TO AGREEMENT NO. 64424 is made and entered into this _____ day of _____, 2002 (hereinafter referred to as the "Effective Date" of this Amendment),

BY AND BETWEEN

COUNTY OF LOS ANGELES, a body corporate and politic (hereinafter referred to as "County"),

AND

AMERICAN AIRPORTS CORPORATION
(hereinafter referred to as "Contractor"),

WITNESSETH:

WHEREAS, County and Contractor entered into Agreement No. 64424 on January 22, 1991, for the management, operation, and maintenance of County's system of airports; and

WHEREAS, Section 51, Paragraph 1, of Agreement No. 64424 permits it to be modified by mutual consent of both parties; and

WHEREAS, County is authorized to enter into, and carry out this Amendment No. 4 in accordance with Government Code 25536 and 25536.5; and

WHEREAS, the Director of the Department of Public Works of County, herein referred to as "Director", is the designated representative for the Board of Supervisors of County for all matters described herein; and

WHEREAS, Contractor and its successor-in-interest have completed over 11 years of satisfactory performance of Contract; and

WHEREAS, aviation fuel prices at County airports remain higher than at other general aviation airports in the region; and

WHEREAS, County's Aviation Commission desires to see that a fair and competitive pricing environment for fuel sales exist at County airports; and

WHEREAS, Contractor has never sold the minimum number of gallons, contemplated by Amendment No. 3 of Agreement No. 64424, in Table 9-1; and

WHEREAS, County agrees to reduce the fuel flowage fees, which will enable Contractor to offer more competitive retail fuel prices for the airport customers; and

WHEREAS, an adjustment in Contractor's payment to County may result in less revenue for County in the short term, but County's Aviation Enterprise Fund will continue to have substantial and sufficient revenues for all planned capital improvements in the airport system; and

WHEREAS, the anticipated increase in fuel sales as a result of this Amendment No. 4, with the resulting increase in aircraft locating to County facilities and increased aircraft activity on the airports, will foster economic growth and viability; and

WHEREAS, County, since the award of the original agreement, has adopted contracting policies regarding job-site safety, recycled-content paper products, contractor responsibility and debarment, notification to employees about possible eligibility for the Federal Earned Income Credits, and consideration of County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program participants for employment; and

WHEREAS, as a part of this Amendment, Contractor agrees to comply with all the requirements of the Living Wage Program, as established by County, as codified in Sections 2.201.010 through 2.201.100, of the Los Angeles County Code; and

WHEREAS, after 11 years of Contractor's operations of County airports, Section 52, "Assimilation of County Employees," is no longer necessary.

NOW, THEREFORE, in consideration of the foregoing recitals, the parties hereto mutually agree that Agreement No. 64424, as previously amended, be modified and amended as follows:

New Sections 9B and 52 are added to Agreement 64424. It is mutually understood and agreed that, except as provided herein, all other terms and conditions of the Agreement, as previously amended, shall remain in full force and effect, except as herein expressly modified.

NEW SECTION 9B READS IN ITS ENTIRETY AS FOLLOWS:

9B. PAYMENTS FOR FUEL DISPENSING

Section 9B shall, as of the Effective Date of this Amendment No. 4 to Agreement No. 64424, replace in its entirety Section 9A of said Agreement; and Amendment No. 3 to same Agreement, dated April 25, 1995, shall be terminated.

Contractor shall pay an additional payment (the Monthly Fuel Dispensing Payment) to County for managing and operating all County-owned fueling facilities at each airport.

Contractor shall pay the Monthly Fuel Dispensing Payment by the 10th day following the end of the preceding calendar month. In the event that full payment is not received by the 10th day following the end of the preceding calendar month, the unpaid balance will be subject to a late charge calculated on the unpaid balance at the current Federal Reserve Prime Rate plus 1.5 percent. Any monetary penalties regarding Contractor's non-performance shall be in addition to, and due and payable with the Monthly Fuel Dispensing Payment.

The Monthly Fuel Dispensing Payment will equal the actual gallons sold times the appropriate factor (Avgas = \$0.30 and Jet-A = \$0.35).

County and Contractor acknowledge that all payments related to fuel dispensing have been made in full, and that Contractor has no further liability to County for payments prior to the date hereof.

County will adjust the Monthly Fuel Dispensing Payment to reflect the impact of any additional distributors, if and when, they would be allowed access to a County airport. In that event, County will require the additional distributors to pay Fuel Flowage Fees equal to or greater than those of Contractor.

Any discounts to lessees or others from the posted retail price of aviation fuel which have been negotiated by County (or by Contractor consistent with historic practice) will be offset by a reduction in Fuel Dispensing Payment(s) owed by Contractor.

NEW SECTION 52 READS IN ITS ENTIRETY AS FOLLOWS:

52. COMPLIANCE WITH COUNTY CONTRACT POLICIES

A. COMPLIANCE WITH LIVING WAGE PROGRAM

1. Living Wage Program

This Contract is subject to the provisions of County's Ordinance entitled Living Wage Program ("Program") as codified in Sections 2.201.010 through 2.201.100 of the Los Angeles County Code, a copy of which is attached hereto as Exhibit A and incorporated by reference into and made a part of this Contract.

2. Payment of Living Wage Rates

- (a) Unless Contractor has demonstrated to County's satisfaction either that Contractor is not an "Employer" as defined under the Program (Section 2.201.020 of County Code) or that Contractor qualifies for an exception to the Program (Section 2.201.090 of County Code), Contractor

shall pay its Employees no less than the applicable hourly living wage rate, as set forth immediately below, for the Employees' services provided to County under this Contract:

- (1) Not less than \$9.46 per hour if, in addition to the per-hour wage, Contractor contributes less than \$1.14 per hour toward the provision of bona fide health care benefits for its Employees and any dependents; or
- (2) Not less than \$8.32 per hour if, in addition to the per-hour wage, Contractor contributes at least \$1.14 per hour toward the provision of bona fide health care benefits for its Employees and any dependents. Contractor will be deemed to have contributed \$1.14 per hour toward the provision of bona fide health care benefits if the benefits are provided through County Department of Health Services Community Health Plan. If, at any time during this Contract, Contractor contributes less than \$1.14 per hour toward the provision of bona fide health care benefits, Contractor shall be required to pay its Employees the higher hourly living wage rate.

For purposes of this Section, "Contractor" includes any subcontractor engaged by Contractor to perform services for County under this Contract. If Contractor uses any subcontractor to perform services for County under this Contract, the subcontractor shall be subject to the provisions of this section. The provisions of this section shall be inserted into any such subcontract agreement and a copy of the Program shall be attached to the agreement. "Employee(s)" means any individual who is an employee of Contractor under the laws of California, and who is providing full-time services to Contractor, some or all of which are provided to County under this Contract. "Full-time" means a minimum of 40 hours worked per week, or a lesser number of hours, if the lesser number is a recognized industry standard and is approved as such by County; however, fewer than 35 hours worked per week will not, in any event, be considered full-time.

- (b) If Contractor is required to pay a living wage when this Amendment commences, Contractor shall continue to pay a living wage for the entire term of this Contract, including any option period.

- (c) If Contractor is not required to pay a living wage when this Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exemption status" from the living wage requirement, and Contractor shall immediately notify County if Contractor, at any time, either comes within the Program's definition of "Employer" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately be required to commence paying the living wage and shall be obligated to pay the living wage for the remaining term of this Contract, including any option period. County may also require, at any time during this Contract and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Program's definition of "Employer" and/or that Contractor continues to qualify for an exception to the Program. Unless Contractor satisfies this requirement within the time frame permitted by County, Contractor shall immediately be required to pay the living wage for the remaining term of this Contract, including any option period.

3. Contractor's Submittal of Certified Monitoring Reports

Contractor shall submit to County certified monitoring reports at a frequency instructed by County. The certified monitoring reports shall list all of Contractor's Employees during the reporting period. The certified monitoring reports shall also verify the number of hours worked, the hourly wage rate paid, and the amount paid by Contractor for health benefits, if any, for each of its Employees. The certified monitoring reports shall also state the name and identification number of Contractor's current health care benefits plan, and Contractor's portion of the premiums paid as well as the portion paid by each Employee. All certified monitoring reports shall be submitted on forms provided by County, or any other form approved by County which contains the above information. County reserves the right to request any additional information it may deem necessary. If County requests additional information, Contractor shall promptly provide such information. Contractor, through one of its officers, shall certify under penalty of perjury that the information contained in each certified monitoring report is true and accurate.

4. Contractor's Ongoing Obligation to Report Labor Law/Payroll Violations and Claims

During the term of this Contract, if Contractor becomes aware of any labor law/payroll violations or any complaint, investigation, or proceeding ("claim") concerning any alleged labor law/payroll violation (including, but not limited to, any violation or claim pertaining to wages, hours, and working conditions such as minimum wage, prevailing wage, living wage, the Fair Labor Standards Act, employment of minors, or unlawful employment discrimination), Contractor shall immediately inform County of any pertinent facts known by Contractor regarding the same. This disclosure obligation is not limited to any labor law/payroll violation or claim arising out of Contractor's contract with County, but instead applies to any labor law/payroll violation or claim arising out of any of Contractor's operations in California.

5. County Auditing of Contractor Records

Upon a minimum of a 24-hour written notice, County may audit, at Contractor's place of business, any of Contractor's records pertaining to this Contract, including all documents and information relating to the certified monitoring reports.

Contractor is required to maintain all such records in California until the expiration of four years from the date of final payment under this Contract. Authorized agents of County shall have access to all such records during normal business hours for the entire period that records are to be maintained.

6. Notifications to Employees

Contractor shall place County-provided living wage posters at each of Contractor's place of business and locations where Contractor's Employees are working. Contractor shall also distribute County-provided notices to each of its Employees at least once per year. Contractor shall translate into Spanish and any other language spoken by a significant number of Employees the posters and handouts.

7. Enforcement and Remedies

If Contractor fails to comply with the requirements of this section, County shall have the rights and remedies described in this section in addition to any rights and remedies provided by law or equity.

- (a) Remedies for Submission of Late or Incomplete Certified Monitoring Reports. If Contractor submits a certified monitoring report to County after the date it is due or if the report submitted does not contain all of the required information, or is inaccurate, or is not properly certified, any such deficiency shall constitute a breach of this Contract. In the event of any such breach, County may, in its sole discretion, exercise any or all of the following rights/remedies:
- (1) Withholding of Payment. If Contractor fails to submit accurate, complete, timely, and properly-certified monitoring reports, County may withhold from payment to Contractor up to the full amount of any invoice that would otherwise be due, until Contractor has satisfied the concerns of County, which may include required submittal of revised certified monitoring reports or additional supporting documentation.
 - (2) Liquidated Damages. It is mutually understood and agreed that Contractor's failure to submit an accurate, complete, timely, and properly-certified monitoring report will result in damages being sustained by County. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture for Contractor's breach. Therefore, in the event that a certified monitoring report is deficient, including, but not limited to, being late, inaccurate, incomplete, or uncertified, it is agreed that County may, at its sole discretion, assess against Contractor liquidated damages in the amount of \$100 per monitoring report for each day until County has been provided with a properly-prepared, complete, and certified monitoring report. County may deduct any assessed liquidated damages from any payments otherwise due Contractor.
 - (3) Termination. Contractor's failure to submit an accurate, complete, timely, and properly-certified monitoring report may constitute a material breach

of this Contract. In the event of such material breach, County may, at its sole discretion, terminate this Contract.

(b) Remedies for Payment of Less than the Required Living Wage. If Contractor fails to pay any Employee at least the applicable hourly living wage rate, such deficiency shall constitute a breach of this Contract. In the event of any such breach, County may, at its sole discretion, exercise any or all of the following rights/remedies:

(1) Withholding Payment. If Contractor fails to pay one or more of its Employees at least the applicable hourly living wage rate, County may withhold from any payment otherwise due Contractor the aggregate difference between the living wage amounts Contractor was required to pay its Employees for a given pay period and the amount actually paid to the Employees for that pay period. County may withhold said amount until Contractor has satisfied County that any underpayment has been cured, which may include required submittal of revised certified monitoring reports or additional supporting documentation.

(2) Liquidated Damages. It is mutually understood and agreed that Contractor's failure to pay any of its Employees at least the applicable hourly living wage rate will result in damages being sustained by County. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture for Contractor's breach.

Therefore, it is agreed that County may, in its sole discretion, assess against Contractor liquidated damages of \$50 per Employee per day for each and every instance of an underpayment to an Employee. County may deduct any assessed liquidated damages from any payments otherwise due Contractor.

(3) Termination. Contractor's failure to pay any of its Employees the applicable hourly living wage rate may constitute a material breach of this Contract. In the event of such material breach, County may, at its sole discretion, terminate this Contract.

(c) Debarment. In the event Contractor breaches a requirement of this Section, County may, at its sole discretion, bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach, not to exceed three years.

8. Use of Full-Time Employees

Contractor shall assign and use full-time employees of Contractor to provide services under this Contract unless Contractor can demonstrate to the satisfaction of County that it is necessary to use non-full-time employees based on staffing efficiency or County requirements for the work to be performed under this Contract. It is understood and agreed that Contractor shall not, under any circumstance, use non-full-time employees for services provided under this Contract unless and until County has provided written authorization for the use of same.

9. Contractor Retaliation Prohibited

Contractor and/or its Employees shall not take any adverse action which would result in the loss of any benefit of employment, any contract benefit, or any statutory benefit for any Employee, person, or entity who has reported a violation of the Program to County or to any other public or private agency, entity or person. A violation of the provisions of this paragraph may constitute a material breach of this Contract. In the event of such material breach, County may, at its sole discretion, terminate this Contract.

10. Contractor Standards

During the term of the Contract, Contractor shall maintain business stability, integrity in employee relations, and the financial ability to pay a living wage to its Employees. If requested to do so by County, Contractor shall demonstrate to the satisfaction of County that Contractor is complying with this requirement.

11. Neutrality in Labor Relations

Contractor shall not use any consideration received under this Contract to hinder, or to further, organization of, or collective bargaining activities by or on behalf of Contractor's Employees, except that this restriction shall not apply to any expenditure made in the course of good faith, collective bargaining, or to any expenditure pursuant to obligations incurred under a bona fide, collective bargaining agreement, or which would otherwise be permitted under the provisions of the National Labor Relations Act.

B. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

Contractor shall notify its Employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

C. JOB SITE SAFETY

Contractor shall be solely responsible for ensuring that all work performed under this Contract is performed in strict compliance with all applicable Federal, State and local occupational safety regulations. Contractor shall provide at its expense all safeguards, safety devices and protective equipment, and shall take any and all actions appropriate to providing a safe job site.

D. RECYCLED-CONTENT PAPER PRODUCTS

Consistent with Board policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled content paper to the maximum extend possible under this Contract.

E. CONTRACTOR RESPONSIBILITY AND DEBARMENT

1. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the proposed contract. It is County's policy to conduct business only with responsible contractors.
2. Contractor is hereby notified that, in accordance with Chapter 2.202 of County Code, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the contract, debar Contractor from bidding on County

contracts for a specified period of time not to exceed three years, and terminate any or all existing contracts Contractor may have with County.

3. County may debar a contractor if the Board finds, in its discretion, that Contractor has done any of the following: (1) violated any term of a contract with County, (2) committed any act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.
4. If there is evidence that Contractor may be subject to debarment, the Department will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
5. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a proposed decision, which will contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, Contractor may be deemed to have waived all rights of appeal.
6. A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board will be presented to the Board. The Board will have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
7. These terms shall also apply to subcontractors of Contractor.

F. CONSIDERATION OF GAIN PROGRAM PARTICIPANTS FOR EMPLOYMENT

Should Contractor require additional or replacement personnel after the effective date of this Agreement, Contractor shall give consideration for any such employment openings to participants in County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program who meet Contractor's minimum qualifications for the open position. County will refer GAIN participants by job category to Contractor.

G. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through contract are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully-served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

Failure of Contractor to maintain compliance with these requirements shall constitute a default by Contractor under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which County Board of Supervisors may terminate this contract.

H. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

Contractor acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. County's District Attorney will supply Contractor with the poster to be used.

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IN WITNESS WHEREOF, the Contractor has executed this Amendment No. 4 to Agreement No. 64424, or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Amendment No. 4 to be executed on its behalf by the Chairman of said Board of Supervisors thereof, the day, month, and year first above written.

CONTRACTOR

AMERICAN AIRPORTS CORPORATION

BY: _____
Kris Thabit
Chief Operating Officer

BY: _____
Secretary

COUNTY OF LOS ANGELES

BY: _____
Chairman, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS

Executive Officer-Clerk of the
Board of Supervisors

BY: _____
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

BY: _____
Deputy